



Hall County Board of Commissioners Finance Department Grants Division

DOWNPAYMENT ASSISTANCE PROCEDURES

Application Process

To qualify for Downpayment Assistance, applicants must meet the annual 80% median household income levels as determined by HUD and adjusted by family size. Prospective borrowers must be first time homebuyers and do not presently have an ownership interest or have not had an ownership interest in a home used as his or her principal residence in the three (3) years prior to closing on the Second Mortgage. All downpayment assistance activities require a \$1000.00 match contribution which can be in the form of a gift or fees.

Applications can be emailed to prospective homebuyers in response to telephone requests or picked up at the office. The client completes and returns the application as well as all other required documents listed below. **Incomplete application packages will not be processed.**

- Official Application
- Authorization for Release of Information
- Current Photo ID
- Underwriting Package
- Paycheck Stubs (3), Current W-2 (1), Current Tax Return (1)
- Most Recent Bank Statements (3)
- Home Buyer Education Certificate

After income is verified, staff contacts client to come in to sign other documents and discuss process. **Downpayment assistance funds are not approved until: (1) client and lender submits all required documentation including the loan underwriter's statement and (2) Georgia Department of Community Affairs (DCA) sends project number.**

Homebuyer Education

All prospective homebuyers must attend and complete either a homebuyer education workshop or an online homebuyer education course and receive a certificate of completion. The curriculum is based on the American Homeowner Education and Counseling Institute's (AHECI) Core Curriculum. Topics include: Credit and Credit Scores, Saving and Budgeting, Keeping Your credit Safe, Shopping for a Home, Understanding the Mortgage Loan Process, Home Inspection and Appraisal, Homeowners Insurance, Closing Your Loan, and How to Avoid Foreclosure. A list of HUD approved agencies is available at www.hud.gov or call HUD's interactive voice system at 1-800-569-4287.

Hall County is committed to providing all persons with equal access to its services, activities, education and employment regardless of race, color, national origin, religion, sex, familial status, disability, or age.



Inspections and Lead-Based Paint

When a prospective homebuyer enters into contract negotiations to purchase a home, the seller provides: 1) a disclosure statement including all known information about the presence of lead-based paint or lead-based paint hazards; 2) any records or reports pertaining to the presence of lead-based paint or lead-based paint hazards; 3) a ten (10) – day opportunity to inspect the dwelling for lead-based paint or lead-based paint hazards. The property is inspected to make sure that it meets minimum property standards and if the house was built prior to 1978 performs a visual assessment of all interior painted surfaces, including common areas such as hallways, laundry rooms or garages, and exterior to identify deteriorated paint. **Please submit CHIP Site Inspection Form to Hall County Building Inspections Department (office located on third floor of 2875 Browns Bridge Road) if the house is more than one year old or the Occupancy Permit if the house is new construction.**

All deteriorated paint surfaces must be stabilized before the prospective homebuyer moves into the home. Safe work practices must be used when conducting paint stabilization. Safe work practices include safe work methods, occupant protection, worksite preparation, and cleanup.

Contract Signing

At sales contract signing, the prospective homebuyer gives Notice to Seller form to seller. The client contacts a lender and begins the mortgage loan process. **The Lender supplies a copy of the following documents: Sales Contract, loan application, paycheck stubs, appraisal, credit report, closing attorney information, Loan Underwriting Mortgage approval with conditions and certification that the mortgage loan is underwritten to one of the following standards: Fannie Mae, Freddie Mac, FHA, VA or Georgia Dream.** This office verifies income; purchase price limits and sends Truth in Lending statement to the client within 3 days. A project set-up request and environmental report are then sent to Georgia Department of Community Affairs (DCA).

Closing

The Lender notifies this office of a target closing date. After DCA approves the Project and returns the set-up report with a project number, a drawdown request is signed by local government official and sent to DCA. A memo is forwarded to Hall County Grant Account giving check preparation data. DCA wires the funds to Local Government's checking account. The Finance Department cuts a check and sends to either the Closing Attorney or GNPDF if funds have been advanced. After closing is held, the attorney sends the following documents back to the office: Downpayment Assistance Grant Agreement, HUD Settlement Statement, Promissory Notes, Warranty Deed, and Deed to Secure Debts for Downpayment Assistance and first mortgage, Loan Agreement and Homeowner Insurance Certificate. A completion report is sent to DCA.

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